

Australian Capital Territory

# Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2024

Disallowable instrument DI2024-311

made under the

**Climate Change and Greenhouse Gas Reduction Act 2010, s 11 (Measuring greenhouse gas emissions—determinations)**

## EXPLANATORY STATEMENT

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This explanatory statement relates to the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2024* (the **determination**) as made by the Minister for Climate Change, Environment, Energy and Water and presented to the Legislative Assembly.

It has been prepared to assist the reader of the instrument. It does not form part of the instrument and has not been endorsed by the Legislative Assembly.

This explanatory statement must be read in conjunction with the instrument. It is not, and is not meant to be, a comprehensive description of the instrument.

### Overview

The *Climate Change and Greenhouse Gas Reduction Act 2010* (the **Act**) sets targets for greenhouse gas (GHG) emissions reduction and the use of renewable electricity in the ACT. It also provides for monitoring and reporting on progress made in achieving GHG emissions reduction, informs the government's development of policies, and encourages private entities to actively address climate change.

Pursuant to section 12 of the Act, an independent entity must prepare a report annually on the measured GHG emissions for the ACT. The report must be provided to the Minister within three months after the end of the reporting period; that is, by 30 September each year for the period two years in arrears.

## **Purpose**

The purpose of the determination is to prescribe a method for measuring GHG emissions. Under section 11 of the Act, the determination is made by way of a disallowable instrument which must be notified, and presented to the Legislative Assembly, under the *Legislation Act 2001* (the ***Legislation Act***). The determination commences on the day after its notification day.

In making the determination, the Minister must (as per section 11 (3) of the Act):

- seek, and have regard to, the advice of an independent entity on the method for measuring GHG emissions; and
- as far as practicable, ensure consistency with the best national and international practices in relation to measuring GHG emissions.

Prior to making the determination, the Minister sought and had regard to the advice of independent consultants, ERM, on the method for measuring GHG emissions.

## **Updates made by this determination**

This determination makes the following minor technical amendments to the 2023 method to reflect best practice GHG accounting and improve the accuracy of the GHG Inventory:

- The method for estimating emissions from residual electricity in the event that the 100% renewable electricity target is not met has been updated to use the residual mix factor (RMF) (national), as published by the latest National Greenhouse Accounts Factors.
- The assumption used to derive the number of households having air conditioners to calculate emissions associated with residential refrigerant use was reviewed and updated in 2023-24 based on the latest available open-source data.
- Assumptions used for average Global Warming Potential (GWP) of residential refrigeration and air conditioning appliances have been updated to reflect gradual phase out of high GWP refrigerants.
- Waste deposition data, including waste stream mix proportions, have been updated based on available data.
- Some equations have been modified in their presentation to support clarity or maintain consistency in the unit of measurement.

## **Other**

The determination is not likely to impose appreciable costs on the community, or part of the community, and for this reason, a regulatory impact statement (***RIS***) is not required, consistent with section 34 of the Legislation Act. In addition, in accordance with section 36 (1) (b) of the Legislation Act, a RIS is not necessary, as the determination provides a tool to calculate the GHG emissions in the ACT, and does not adversely affect a person's rights, or impose liabilities on anyone.

Similarly, as the determination only provides a tool to calculate the GHG emissions in the ACT, it does not engage a right contained in the *Human Rights Act 2004*.

## **Outline of Provisions**

### **Clause 1 Name of instrument**

This clause names the instrument as the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2024*.

### **Clause 2 Commencement**

This clause states that the instrument commences on the day after its notification day.

### **Clause 3 Determination of method for measuring greenhouse gas emissions**

This clause determines the method for measuring the amount of greenhouse gas emission in the Act by reference to the method set out in schedule 1.

Schedule 1 contains several provisions that provide the method for calculating emissions from different energy sources and industries, including: electricity, fossil fuel gas, transport; industrial processes and product use; agriculture; LULUCF; and waste.

### **Clause 4 Revocation**

This clause provides that the previous determination, the *Climate Change and Greenhouse Gas Reduction (Greenhouse Gas Emissions Measurement Method) Determination 2023 (DI2023-273)*, is revoked.